App. F. IX-4

1945-46 (Elect)

File No. 320-45

Previous References.

Serial Nos. 1, 2

Later References.
Elect 164-51 (1,2.)
" 186-52 (4,5.)

GENERAL AND REVENUE SECRETARIAT

Serial Nos. 2

Part B for November '46

SUBJECT

Proposal to extend the benefit of the pension scheme to the Electrical Deptt.

G.O. Edn. 898-901/Elect 320-45-2.-
dt 9-10-'46

To The Chief Elect Engineer.
The Secy to Govt. Fin. Deptt.
The Comptroller to Govt.
The Auditor, Ele. Deptt.

Fl 1215
D 2-10-'42

Serial No.

STRICTLY CONFIDENTIAL.

1) The Comptroller to Government is requested to intimate the extra revenue expenditure that will be involved annually if the Pension Scheme is introduced in the Railway and Electrical Departments. The revenue account will of course have to be debited with the Pension ~~contingency~~ Contribution at 1/24 and the pension funds concerned will bear the pension charges. For purposes of these calculations the work establishment in the Electrical Department and similar staff (running and operating staff, etc.) of the Railway Department may be excluded.

(On staff table of Railways working under Electrical to be excluded in the Calculation of Pay)

Comptroller,
with compliments.)

A.D. Shroff
1.10.42

COMPTROLLER'S OFFICE-BANGALORE
2 OCT 1942
216/SPL
SPECIAL SECTION

No. 28 of SPL dated 20-11-42

U.O.No.Spl/499 dated 19th November 1942. (Enc. one S.H.)

Returned with compliments.

2) A statement showing the required information is enclosed. The work establishment of the Electrical Department and the Running and Operating Staff as also the transferred hands of the Railway Department have been excluded, as desired, in arriving at the calculations. Contribution at 1/24th of pay has also been taken into account for purposes of payment of gratuity, as contemplated in Para 1517 of the State Railway Establishment Code -Vol.I. It will be seen from the statement that there will be no extra cost if the benefits of pension are extended to the

NOTE—Cont. Sheet.

WD 04155—GPB—55,000—23-10-41

Serial No.

the employees under reference. On the other hand, it is expected to result in a savings of about Rs.19.856/- per annum. This is due to the fact that the present rate of contribution taken for purposes of calculation, viz., at 1/9th of pay, is rather inadequate. It is also possible that the rate of 1/24th of pay taken on the basis of Government of India Rules for Gratuity Contribution is rather high. Government observed in their letter No.EDS 1203 dated 11th November 1941 that the rate of contribution by the Electrical Department requires to be enhanced and accordingly the rate of pension contribution in the case of the pensionable employees of that department was fixed at 1/8th of the pay of the employees in Government Order No.EDS 4331-35 dated 29th June 1942. It is desirable that the same rate viz., 1/8th of pay is fixed as the pension contribution in the case of the Railway Department also. If this is done, there will be neither extra cost nor savings involved in the proposal, as the pension contribution (1/8th of pay) will then be equal to Provident Fund Contribution (1/12th of pay) plus Gratuity Contribution (1/24th of pay).

M Venkataraja Rao

Comptroller.

19/11/42

MSR

4

Serial No.

Extension of the Pension Scheme to the Electrical and the Railway Departments.

3) In the file connected with the representation of Rajasevaprasakta Mr. C.M. Caraippa and others for extension of pension benefits to them, the Law Minister has minuted that, in his opinion, it is tim to make service in the Electrical Department pensior able in the same way as in the P.W.D. and that a basic staff required permanently may be treated as pensionable, the rest being temporary and non-pensionable. As the Railway Department is not very different from the Electrical Department, both the Departments have in the opinion of the Finance Department, to be treated alike for this purpose. It will not, however, be practicable to treat the temporary staff borne on the same cadre and working side by side with permanent pensionable staff as non-pensionable. In such cases, the P.W.D. procedure has to be adopted.

4) There is no doubt that the pension scheme is a better device than the Provident Fund arrangement in some respects in regard to the officers ceasing to be in service ~~on retirement~~. Instances are not wanting of cases of officials retired on the Provident Fund arrangement having been driven to destitution soon after retirement owing to the improper use of the Capital sum of the Provident Fund and the gratuity received by them in a lump. The opportunities to lose money due to sudden accession of a good cash balance on hand cannot of course occur under the Pension Scheme.

5) But the Finance Department has all along been

WD 5120—GPB—500—2-5-30

maintaining that the Pension Scheme is not suitable in the case of Commercial Departments and Concerns. With the introduction of Pension benefits to a portion of the staff of the Railway and the Electrical Departments the position has, however, changed. According to the existing arrangements, some employee in the same office get pension while others do not, though carrying out similar duties. By bringing the whole staff under the pension scheme (barring of course such class of officers and servants as come under the category of work establishment) the present somewhat anamolous position may be remedied while it may also prove to be a blessing to the employees generally, who seem to prefer the pension scheme to the Provident Fund system.

6) There arises then only the question of the extra cost involved by the Pension Scheme. I enclose herewith a U.O. note dated 19th November 1942/received from the Comptroller wherein he has explained that it would not be more expensive than the Provident Fund — arrangement. The Government share of the contribution towards Provident Fund and gratuity, paid as at present, works out to 1/8th of an Officer's pay while only 1/9th of the sanctioned salary of appointments is recovered from Local Bodies, etc., as contribution for pension (not including for leave). Even in the Government of India, where the rate of contribution towards pension in analogous cases has been fixed on a sliding scale, it does not exceed 1/8th of the maximum pay of the grade substantively held in any case. If Government intend to introduce the Pension Scheme in both the Departments, the Government contribution to the pension fund will have to be fixed uniformly at 1/8th of the pay of the employees as suggested by the Comptroller. Specific directions on the following points will also be necessary:—

(1) The Pension Scheme has to be given effect to from a future particular date and no officer who has retired prior to that date can be allowed the benefits of the Scheme.

(2) Work Establishment of the Electrical Department and establishment coming under the same category in the Railway Department will have to be excluded from the benefits of this Scheme. Details of the class of staff of the Railway Department to be excluded have to be settled in consultation

Serial No.

by the Financial Dept

14) We have not enough information on the subject to enable us to decide on the change-over

15) An estimate of the result of the change must be made up as accurately as possible

P.C
6/1/43

16) Noted
6/1
1.1.43

17) To the Secretary to Government, Railway and Electrical Departments, with compliments, for furnishing the information required at 'A' and 'B' above.

8.1.43

40.82.

40.83.

RAILWAY SECTT.
No.
Date 11.1.43

NOTE—Contn. Sheet.

D. 135. D.1542

° File No. of 193 . | General and Executive Secretariat

18) The required information is ~~please~~ furnished - Vide Slip "A".

This may now be referred to the Electrical Secty. for furnishing the information required at "B"

1542.
13.1.43.

B
12/1

Asst Secy
Electrical
15/1

B
12/1

9.2.43.

for
13/1/43.

19) Submitted with a draft letter to the Chief Engineer for Electricity, Madras, calling for the information, with a copy to Supdg. S.C.P.S. to furnish the same, it is awaited in this ...

JJOV 15.1.43 It is for orders whether the Supdg S.C.P.S. may be requested to forward the reqd info re Kesavan in the Madras Elect. Dept. Draft is suitably changed & submd for approval & other orders.

CCB 15/1/43

Draft & Reminder is herewith for sig.

CCB

B/1

Issue
by
19/1/43.

Issued vide No EW & 31174 dated 20-1-43 to the Executive Engineer calling for the information required in the Madras Electrical Dept.

VD-1542

ELECTRICAL SECRETARIAT.

Pension scheme for the employees of the Electrical Dept.

File No. of 19 10

Serial No.

93) The information called for from the Madras Govt (vide the Residency) in No. E.D.S 3174 dated 20-1-43 has not yet been received. Orders here. The papers on the Linkes file also, when considering the question in this file

94) For orders whether the Residency may be requested to remind the Govt of Madras in the matter. Draft is herewith put up for favour of approval & the orders.

HOV 19.2.43 95) It is for orders whether the Lys CPS may be requested to forward the above information, if available. Meanwhile, reply from Residency may be awaited. May be submitted for the kind information of F & R Ministers.

GEG 19/2/43 96) The draft reminder to the Residency may be approved.

Secy 97) Approved. CJ/23/2/43

25 Regret the G.I.C.P.S also to forward the information, if available.

20/2/43

Reminder to Residency issued in No. E.D.S 3777 dated the 24th Feb. 1943.

98) Submitted with a draft to G.S.C.P.S requesting him to furnish the particulars if they are available in his office.

HOV 22/2/43 GEG 25/2/43 99) Issue

[P.T.O.

Fig 2 GEG 26/2/43 100) As a reply on the subject from the Residency has been

Serial No.

received, it is for orders if the draft to Gr E.P.S. should issue

Blue 26.2.43.

issued in WG No 3831 dt 1.3.43

Letter No. R738-43 | Pol dated 26-2-1943 from the Residency furnishing particulars about the pension system obtaining in the Madras Govt. Electrical Dept.

From the above letter it is seen

1) that the temporary staff of the Electricity Dept in the Madras Residency is non-pensionable,
2) that most of the permanent staff are regular Govt. servants whose pension is governed by the provisions of the Civil Service Regulations issued by the Govt of India
3) that some are given the benefits of the Contributory Provident Fund in lieu of pension.

submitted with reference to para 12 of the Hon'ble Minister's minute dated 6.1.1943.

1/3/43

Pencil 1/3/43

H Lee 1/3/43

WG 04581—GPB—2,000—26-10-39

MYSORE STATE RAILWAY.

Statement showing the comparison of Provident Fund ~~less~~ Bonus and Gratuity with the commuted value of pension.

Sl. No.	Name and designation.	Pay at the time of retirement.	Length of service	P.F. Bonus for the entire service.	Gratuity for the entire service.	Total Government Contribution of (4) + (5) for the service.	Pension admissible for the qualifying service.	Commuted value of the pension taking the age next 55 years.	Comparison of (6) with (8); Percentage of difference plus or minus.
1		2	3	4	5	6	7	8	9
		Rs.	Y. M. D.	Rs. a. p.	Rs. a. p.	Rs. a. p.	Rs. a. p.		
	Messrs.		25- 1-14 (M.S.Ry)		3,360 0 0 (M.S.M.)				Item 8 is more than 6.
1.	C.R.Rangappa, Retd., Asst.Traffic Supdt.	240	28- 6- 1	4,776 5 0	45 0 0	8,136 5 0	107 7 0	13,390.15	+60.8
2.	V.Hanumantha Rao, Retd. Ag. P.A. to General Manager.	400	29-11-19	8,389 2 0	5,800 0 0	14,189 2 0	182 12 0	22,776.49	-Do- +62.2
3.	M.G.Rajamannar, Retd. Ag. Asst.Auditor.	200	29- 0- 5	5,388 15 0	3,000 0 0	8,388 1 0	100 0 0	12,463.20	-Do- +67.3
4.	T.S.Raghavendra Rao, Retd.Clerk. L.S.Office	105	34-10-10	2,248 10 0	1,575 0 0	3,823 10 0	52 8 0	6,543.18	-Do- +58.5
5.	S.Narasimha Iyengar, Retd.Clerk, D.L.C's Office.	66	24-5-17 ~~26-11-10~~	1,806 4 0	792 0 0	2,598 4 0	~~26~~ 27 -6- 0 0 0	3290.28 ~~4,118.85~~	-Do- ~~+63.8~~ +78.7
6.	M.A.Krishnaswamy Iyengar Retd. Supdt., General Manager's Office.	200	30- 5-22	5,334 13 0	3,000 0 0	8334 13	100 0 0	12,463.20	-Do- +66.8

Auditor-in-charge,
Mysore State Railway.

Bk. 22/6

Commuted amount is arrived at on the assumption that the Appeal pensioner will live for a certain number of years after retirement. Besides there are cases in which the official dies ~~dea~~ while in harness.

36) I believe that calculation in about ~~both~~ a dozen cases in the Civil Departts may be ~~taken~~ made, taking into account cases of premature deaths and deaths soon after retirement.

Send word to the Superintending Section of the Comptr's Office to see me

TM
16.2.47

1915

The Compassionate Allowance

Cases relating to January 1915

were examined. In the following

cases the concerned persons

have died after retirement

	Age at death
	39.3
	42.3
	49.4
	28.2
	32.1
	40.4
	40.5
	40.3
	47.2
	48.6

In the two following cases, the officials have died soon after retire-

ment.

Case No	date of retirement	date of death
[illegible]	[illegible]	3-8-1962
[illegible]	22-3-39	6-6-1960

In the case of persons dying after attaining the age of 60 years but before completing 30 years of service, no gratuity is generally admissible & hence such cases will not be found in the list of cases.

There are also cases in which persons have died after receiving commutation & before the whole period of fifteen years after commutation has elapsed. If required this information will be separately collected & submitted.

[illegible]

15 1245/42

Extension of the Pension Scheme to the Electrical and Railway Departments.

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3) To arrive at an idea of the amount of contribution that would be necessary to cover pension charges, it would be ~~necessary~~ usual to have particulars regarding the term for which pension is actually drawn by the several retired officers so as to know how far the total amount of pension drawn by a pensioner can be taken to be covered by the monthly contribution based on his pay while in service and at what rate this contribution may be fixed to fully cover the pension i.e., Statistics regarding longevity of pensioners, on the average.

The figures given by the Superintendent, Pension furnish details of persons who died while in service (taking the cases dealt with only in one month as the basis). These individuals may represent a class of employees whose average longevity was below normal.

A | Statistics regarding periods for which pension is generally drawn by retired officers would be more useful.

Forwarded with compliments, to the Comptroller to Government for kindly furnishing the information required at 'A' above. The favour of a very early reply is requested

By Order,

For Financial Secretary to Government.

W.D. 4-4-43 Orb. 3.

4-8-1944.

COMPTROLLER'S OFFICE, BANGALORE
11 MAR. 1944
SPECIAL SECTION
888/Spl.

888/Spl.C.8.4.44
U.O.No.475/Pen. dated 6-4-44.

38) Returned with Compliments:-

It is not easy to furnish the statistics required at A. with the existing establishment. Correct information cannot also be collected as all the old pension audit registers wherein deaths are noted have been destroyed as per rules in force.

The present commutation tables furnish the information as to the average period upto which a pensioner of a particular age is expected to live. Financial Secretary has stated in his Note dated

1/8
7/8/44

dated 16-7-43 that calculations may be made in about a dozen cases in the Civil Department taking into account premature deaths and deaths soon after retirement. Accordingly a bundle of compassionate gratuity cases of a month was taken at random and the accounts of persons whose compassionate gratuity claims were settled in that month were collected and the information furnished.

KS

FB
PM
11/4/44

Controller.

39) The question for consideration is.
1) What is the financial implication of the extension of the Pension Scheme to the Railway & Electrical Depts.

40) 2) In case the pension Scheme is introduced what should be the pensionary contribution so as to offset the liability, if any, to be incurred,

41) As to the financial implication of the Extension of the Pension Scheme.

42) In the absence of actuarial calculation it is not possible to exact furnish statistics to compare the two systems Viz the Pension System & the Provident Fund System to have an idea as to which system is costlier than the other. On abstract reasoning, however, it may be stated that the Pension Scheme is decidedly costlier than the Provident Fund Scheme for the following reasons:-

In Railway & Electrical dept the Govt share of the

contribution towards Provident Fund and gratuity has been fixed at $\frac{1}{8}$th of an officer's substantive pay, (i.e. $\frac{1}{12}$th of the pay towards Provident fund + $\frac{1}{24}$th of the pay towards gratuity). In the Govt of India the rate of contribution towards pension in analogous cases has been fixed (~~partly on actual calculation~~) at on a sliding scale at a rate not exceeding $\frac{1}{8}$th of the maximum pay of the grade substantively held by an individual. The rate of contribution now fixed at $\frac{1}{8}$th will not be sufficient to cover the extra liability in case a Pension Scheme were to be introduced in the Railway & Electrical Depts, because, unlike in British India we have got a compassionate gratuity Scheme in the case of officers who die prematurely under the said Scheme. Necessarily the rate of contribution towards pension must be something more than $\frac{1}{8}$th. What exactly it should be, it is for the ~~expert~~ actuary to say by means of calculation.

43) Re: Railway Dept: The Service of all (in Br India) Railway servants except the members of the Indian Railway

Service of Engineers by selection is non-Pensionable as in Mysore.

44) Re:- Electrical Dept:-

The extension introduction of the Pension scheme to Officers benefiting Pension Scheme, have been extended to the officers of the Electrical Dept who entered service in the regular establishment prior to 1st July 1919 and who retired prior to 1st Jan 1938 or are in service. If it were to be extended further, the liability on the part of the Govt will be higher, still, particularly in respect of officers who entered the Electrical Dept prior to 1926, when there was no Provident Fund to be in the said Dept. But, so far as the Electrical Dept is concerned, it may be stated that the present position is, having two systems, viz Pension System & (2) Provident Fund system, in one of the same Dept is somewhat anamolous. It may, however, be stated

Extension of the pension scheme to the Electrical and Railway Departments.

45) In Government Orders, dated 15-8-1941 & 24-9-1941 the benefits of pension have been extended to certain employees of the Electrical and Railway Audit Departments who entered service in those Departments before certain specified dates, on the ground that prior to that date the said Departments formed part of the Public Works Department and the Accounts Department respectively.

G.O. No E.D. 5 425-428 dated 15-8-41. H.Q.

G.O. No H 2149-50 dated 24/9/41 G.F. 9-41-10L (R)

46) The question of extending the benefits of pension to all the regular employees of the Electrical and Railway Departments has been under the consideration of Govt. for some time past. In the Financial Secretary's note dated 16th December 1942 (vide para 6 of the office notes in the file) certain proposals were made in regard to this matter and it was suggested that if Govt. were agreeable to the introduction of the pension scheme to these Departments, the contribution payable by the Departments concerned to the general revenues on this account might be fixed uniformly at 1/3th of the pay of the employees. With reference to these proposals, the Finance Minister made certain observations in his minute dated 6th Jan. 1942. The points stressed by him are briefly as under:-

(1) Whether contribution at 1/8th of the pay of the employees would be adequate to cover the charges on account of pension.

(2) Pension being "deferred pay" whether we should not defer a part of the pay of the officers if pension rights which did not previously exist are newly given to them.

(3) The practice in British India in respect of the State Railways and the Madras Electrical Department might be ascertained.

(4) The general financial position of the State was causing anxiety (at that time), and it was necessary to have an accurate estimate of the result of the change proposed.

47) As regards the practice in Br. India, it is ascertained that the permanent staff of the Madras

Electrical Department are regular Govt. Servants, who are entitled to pension under the Civil Service Regulations, while employees of the Indian State Railways are generally borne on the non-pensionable cadre they being eligible to Provident Fund and gratuity benefits.

48) Attempts were made to collect accurate data to verify whether the contribution at 1/8th of the pay proposed would be adequate to meet the pension charges. From the notes of the Comptroller's Office in the file it is seen that it is very difficult to get detailed figures relating to a fairly long term of years regarding the span of life of our employees and the average period for which pension is drawn by them, etc. The question seems to be one on which a definite opinion can only be pronounced after competent actuarial advice. As regards the general financial position of the State, there has been considerable improvement since the date of the Minister's minute referred to above.

49) The position of the Railway administration in British India with reference to the other Departments of Govt. there, is somewhat different from that obtaining here. In Mysore, the Railway Department is practically a part of the general administration and the income derived therefrom directly becomes part of the general revenues. While for certain purposes, the work of the Electrical and Railway Departments are viewed from a commercial stand-point as being productive works on which large sums of State capital has been invested, yet the organisation and general control of these Departments are not materially different from those of other Departments of the State.

50) As regards the question of deferring a part of the pay of the men if they are to be given pension as a new concession, it is a point for consideration whether the ~~present~~ scales of pay in these Departments may be considered to have been now pitched at a comparatively higher level than that in the pensionable Departments.

and the question has to be viewed entirely from the view-point of equity. A rough idea of the existing and proposed liabilities is however given below:-

58) At present, the amount contributed by Govt. towards its employees in the Railway and Electrical Departments is, -

1 1/12th pay towards Provident Fund (Calculated on the pay drawn from time to time).

~~Half a month's pay for each year of qualifying Service as~~ 1/24th ~~pay~~ towards Gratuity (Calculated on the pay drawn at retirement),

which together work out to not less than 1/8th of pay of each employee. If service in these Departments is treated as pensionable, then the above liabilities will cease and pension and compassionate gratuity will become payable. The latter (the compassionate gratuity) is a definite commitment working out to 1/16th of the pay of employees generally while the former (the pension is an indefinite one. Its cost varies according to the longevity of the pensioner. The extra cost cannot however be calculated even in terms of commuted values as the latter refer to only lives considered to have prospects of an average life.

59) The beneficial effects of extension of the pension benefits can be summarised as follows:-

(1) The service in these Departments will become as attractive as that in other Departments of Govt. which are pensionable and will therefore secure the right sort of recruits

(2) A sense of ~~inf~~ inferiority now lurking in the minds of the employees of those Departments as compared with their brethren in the pensionable Departments, will disappear

(3) The introduction of the pension arrangement will give a greater sense of security to men in service.

WD 06260—GPB—500 pads of 100 sheets each—20-3-42

25

(4) The employees will be enabled to live a contented and peaceful life after retirement.

60) If Govt. agree to the principle of extending the pension benefits to the employees of the Railway and Electrical Departments, the details such as the classes of employees that may be brought within the scope of this scheme, the rate of pension contribution payable by the Departments, whether option may be allowed to the existing employees to retain the Provident Fund benefits, if so desired by them, and other allied matters will be dealt with separately and submitted for orders.

992/1018 Rly. P.W.D. and Delhi 78 41

61) I agree that the pension benefits should be extended to the General departments and the Railway departments. Both are Govt. departments ~~Govt. Undertakings~~ Conducting a revenue of more than 1½ crore - to the Central Revenue of the State. and they are part of the General administration of Govt. be the same rule & regulation. In Madras All the employees of the Govt. Depts are known pensionable jobs.

It is fair that the regular employees of the Govt. & Rly. Depts must be treated in the same way as the others of other departments.

The F.C. Secretary states that the actual Extra Cost Could be known each

2 7

For Disposal by Circulation.

No. C. 157

1944-45.

GENERAL AND REVENUE SECRETARIAT

Council Matter.

Subject

63) Extending the benefit of the Pension Scheme to the Electrical and Railway Departments.

Circulated to the Council of Ministers.

By Order.

Chief Secretary to Government.

16th August 1944

18/8/44

1185/18.8.44. **Minister for Revenue and Law.** 19.8

Minister for Public Works.

1435/23/8 **Minister for L. S. G. and Public Health.** 23.8.44

1551/24.8.44 **Minister for Industries and Supplies.** 24/8

Minister for Education. May be admitted to pension benefit to the same extent as elsewhere. 25/8

1559/25/8/44

W D 01339—GPB—1,000—15-12-42

A/S please speak. 27/8/44.

25/8/44

Ref: Dewan's minute dated 14th August 1944.

(64) The papers were circulated to the other Ministers as directed.

The Minister for Revenue & Law, the Minister for L.S.G. & P.H. and the Minister for Industries & Supplies have agreed to the principle of extending pension benefits to the regular employees of the Electrical and Railway Departments.

(65) The Education Minister, however, has minuted as under:-

"May be admitted to pension benefit to the same extent as elsewhere."

(66) As already noted in the file it is understood that in respect of the Government Electrical Department in Madras, except the temporary staff, most of the permanent staff are governed by pension rules. Most of the services in State Railways in British India are however, non-pensionable. But the position of the Railway administration in British India is not quite analogous to that of the Railway Department here. Whereas Railway Finance is distinct from General Revenues there, the Railway Department here is an integral part of our general administration and revenues from this source also are merged in general revenues.

For perusal and favour of further instructions.

Dewan 31.8.41

WD 06260—GPB—500 pads of 100 sheets each—20-3-42

2647

29

(a) The question may be response for answer to the Financial Adviser if one is appointed shortly.

Meanwhile, Mr P. H. Nagappa may be asked to see if he can compile any information based on recent statistics of the average life of pensioners that would give us an approximate idea of the relative cost of pension & P.F. systems. This subject has, I believe, been studied in great detail in America and the conclusions arrived at there though they may not exactly apply to our conditions, would appear to be useful.

(b) A

3/9/44

For needful action

Pl. Nagappa

Dy Secy

Ms G Depart

LABORE GOVT. LIFE INSURANCE DEPTT. No. 14707 4. SEP. 1944 BANGALORE.

Continued on the next page

Pto

F(2)1.42.

32

Service Conditions of the Staff in the Electrical and Railway Departments and I would like to take up the investigation of the Mortality experience of the Pensioners and then estimate the extra cost, if any, required for a switch over from the Provident Fund system to the Pension Scheme in those departments.

P. H. Nagappa
19th Sept. 1944

Submitted

(Fin. Secy)

74) For favouring affording necessary facilities to Mr P. H. Nagappa for the investigation in question.

Comptr. W[C] Fin. Mr P. H. Nagappa

F.M.V.
20.9.44

This file may be kindly returned to the Fin. Secrett. early, after taking necessary extracts, to facilitate further action being taken herein the meantime
Cpl
21/9/44

GOVT. LIFE INSURANCE DEPT. MYSORE
No. 19153
22. SEP. 1944

Seen. Pen sec^n to do needful early.
25/9/44

Serial No.

seen that to secure pension at present rates a contribution of 2 annas 8 pies to 0-3-4 is necessary. On an average about 0-2-8 would be just sufficient. At present we are paying in the Electrical Department a contribution of 1/12th of pay or 0-1-4 in the rupee. So if pension as in the M.S.R. has to be given, Govt. will have to contribute 0-2-8; a sum at least equal to what it is giving now as contribution to the Provident Fund. We are at present contributing to the Provident Fund about Rs. 53,200 per annum - vide note of the Auditor dated 29-6-46. So we have to contribute an equal sum. The recurring additional expenditure would therefore be at least 53,200 per annum or over 1/2 a lakh. This does not include the unassessed liability in respect of the previous years service which will also count for pension. Or, in other words, the ascertainable extra cost in bringing the Electrical Department under the pension scheme is over 1/2 a lakh + the unascertained liability in respect of previous service of existing employees which may be of the order of about 10 lakhs + refund of party's contribution in the Electrical Department Provident Fund of about Rs. 6 lakhs.

This will be more if a lower rate of interest is to be given to this fund

81) Thus the extension of pension benefit as in vogue in other Departments will involve considerable cost to Government - an immediate payment of Rs. 6/- lakhs, a recurring liability of over 1/2 a lakh and

36 Extension of the benefit of the pension Scheme to the Electrical & Railway Departments

File No. of 194 General and Revenue Secretariat

Serial No. 1509 24-6-46

provision for the arrear contribution of about Rs.10/- lakhs. Our pension charges are already mounting up and unless it is inevitable, it does not appear desirable to increase our liability by extending pension benefits to departments that do not have it now, especially when they are huge departments like the Electrical or Railways. Again, these departments are expanding rapidly and so any estimate of the recurring liability calculated on present basis would rapidly be out of date and the liability would be increasing with coming years.

82) It may also be noted in this connection that the pension scheme is not in vogue in the case of Railways in British India and the Provident Fund system combined with gratuity and bonus schemes is adopted in almost all commercial Departments.

83) Such a system gives a flexibility to the administration which a pension scheme does not give and it does not appear therefore desirable to extend the concession of the Pension Scheme to persons that are not already getting it. In fact I would suggest the gradual extension of the Provident Fund System (a combined Pension & Prov. Fund System) to other departments also.

OFFICE OF THE MINISTER FOR PUBLIC WORKS
29 JUL 1946
987

B
29/7

Hon'ble P.W.
Dewan

May be considered in Council.

NOTE FOR CIRCULATION IN COUNCIL.

95)

Subject:- Extension of the benefit of the pension scheme to the Electrical Department.

H)

In Government Order dated the 14th February 1941 the Officers and the staff of the Electrical Department in the Regular Establishment who joined service before the 18th September 1913, were allowed pension benefits according to the scale laid down in the Mysore Service Regulations.

The question was further considered and in the Government Order dated the 15th August 1941 Government ordered that the benefits of pension sanctioned in the Government Order dated the 14th February 1941 be extended to the employees of the regular establishment of the Electrical Department who entered service prior to 1st July 1919 and who were still in service. As regards the employees who had retired then, it was ordered that such of the employees as were entered on service prior to 1st July 1919 and retired on or after 1st January 1938 be allowed to come under the pension rules and pension granted to them from the date of retirement subject to certain conditions.

The employees who entered service from 1926 onwards are granted provident

40

Provident Fund and Gratuity on the scale obtaining in the Railway Department.

The question of extending the pension benefits to the employees of the Electrical Department who joined service after 1st July 1919, has been engaging the attention of Government for sometime past and the Chief Electrical Engineer has been continuously urging Government to sanction the grant of pension to all the employees of the Electrical Department who are on monthly rated salary.

The Minister for Public Works and the Dewan have agreed to the introduction of the pension scheme to the employees in the Electrical Department. The Dewan has minuted that as this is a question of policy affecting several Departments it may be discussed at a meeting of Council.

17/8

17/8/46.

1542 Enclosed

For Disposal at a meeting.

No. C. 236

..... 194 6-47

GENERAL AND REVENUE SECRETARIAT

COUNCIL MATTER

Subject:—

Proposal to extend the benefit of the pension scheme to the Electrical Department.

Circulated to the Council of Ministers.

By Order,

19th August 1946.

Chief Secretary to Government

12/8/46

1538 31.8.46 1. ~~Minister for Revenue.~~

1448 22.8.46 2. Minister for Education & Public Health.

J.H. 26/8/46

1256 31.8.46 3. Minister for Law. 28/8/46.

4. Minister for Public Works. (Seen)

1829 2.9.46 5. Minister for Agriculture. 2/9 Seen

1538 31-8-46 Minister for Revenue. 1/9/46

CHIEF SECRETARY. 3 SEP 1946 GREEN

A Committee may be appointed to consider the matter in connection with the Estimates before the meeting or is it intended to refer the matter to the Committee after the meeting?

3/9/46.

IMMEDIATE.

Extract from the Council File No.236 of 46-47

..

Subject:-

Proposal to extend the benefit of the pension scheme to the Electrical Department.

---

* * *

Information may be obtained urgently as to whether in fixing or revising the scales of the Department, the non-pensionable nature of the posts of the department was kept in view.

* * *

Secretary to Govt., Elec Deptt.
with compliments.

WT
3/5/46

The Elec[l] Dept had two re-organisations one in 1935 & another in 1944. In neither of these, ~~these~~ the revision of the scales of department has ~~not~~ been considered in relation to the non-pensionable nature of the posts, which have been made para in grades with similar appointments in the P.W.D.

Chief Secy
wle) KJ 4-9-46.

Seen by the
Min Rev & Com
& the Dewan
WT 4/9/46.

1942-43

c23b

403

Extract from the Proceedings of the 38th *Meeting of the Council of Ministers held at Bangalore on* 4th September, *194* 6.

SUBJECT:-

Proposal to extend the benefit of the pension scheme to the Electrical Department.

OPINION OF THE COUNCIL.

The benefit of the Pension Scheme may be extended to those in service in the Electrical Department. This order will have no retrospective effect and will be applicable only to those who retire from service after the 1st September 1946.

(Sd) A. RAMASWAMI MUDALIAR.
Dewan of Mysore.

P. W. Secretary (Elec)
with compliments.

WG 5/9/46

D.F.IV. KW 6/9/46

A D & N is herewith for info. 6.9.46

Min. P.W) KW 13/9/46.

Signed final note in duplicate is placed below.

Dewan) KW 18/9/46

OFFICE OF THE MINISTER FOR PUBLIC WORKS 1946 2239

DEWAN'S OFFICE 18 SEP. 1946 2226

"EXTRACT"

Chief Secretary to Government.

5/9/46

Agriculture &
Final Note by the Minister for Public Works.

Subject.— Proposal to extend the benefit of the pension scheme to the Electrical Department.

Note 'J'

In Government Order dated the 14th February 1941, the officers and the staff of the Electrical Department in the regular establishment, who joined service before 18th September 1913 were allowed benefits of pension according to the scale laid down in the Mysore Service Regulations. This question was further considered and Government, in their order dated 15th

2 August 1941, ordered that the benefits of pension sanctioned in the Government Order of 14th February 1941, be extended to the employees in the regular establishment of the Electrical Department who entered service prior to 1st July 1919 and who are still in service as the Electrical Department formed a part of the Public Works Department till then and it was constituted as an independent Department from 1st July 1919. As regards the employees who had retired then, it was ordered that such of the employees as entered service prior to 1st July 1919 and retired on or after 1st January 1938, be allowed to come under the pension scheme and pension granted to them from the date of their retirement. Later, this concession was extended to certain officers who had retired prior to 1st January 1938, subject to certain conditions.

The employees of the Electrical Department who entered service after 1st July 1919 are now allowed provident fund and gratuity on the scale obtaining in the Railway Department. The Chief Electrical Engineer has been urging that these employees also, including those in the 'Maintenance Establishment' of the Electrical Department be brought under the pension scheme, to make the Department more attractive and afford security in old age. The question has been examined in detail by the Finance

Department with reference to costs. The Financial Secretary has remarked among other things, as follows:-

Para 80 to 89 q.n.s.

"We are at present contributing to the Provident Fund about Rs. 53,200/- per annum. We have to contribute an equal sum. The recurring additional expenditure would be atleast Rs. 53,200/- per annum or over half a lakh. This will be more if a lower rate of interest is to be given to this fund. This does not include the unassessed liability in respect of the previous years' service which will also count for pension. Or, in other words, the ascertainable extra cost in bringing the Electrical Department under the pension scheme is over half a lakh plus the unascertained liability in respect of previous service of existing employees which may be of the order of about 10 lakhs plus a refund of party's contribution in the Electrical Department Provident Fund of about Rs. 6 lakhs.

"Thus, the extension of the pension benefit as in vogue in other departments will involve considerable cost to Government, an immediate payment of Rs. 6 lakhs, a recurring liability of over half a lakh and provision for the arrear contribution of about Rs. 10 lakhs. Our pension charges are already mounting up and unless it is inevitable, it does not appear desirable to increase our liability by extending pension benefits to departments that do not have them now, especially when they are huge departments like the Electrical. Again, these departments are expanding rapidly and so, an estimate of the recurring liability calculated on the present basis would rapidly be out of date and the liability would be increasing with coming years.

"It may also be noted, in this connection, that the pension scheme is not in vogue in the case of the Railways in British India and the Provident Fund system combined with gratuity and bonus scheme is adopted in almost all commercial departments.

"Such a system gives a flexibility to the administration which a pension scheme does not give and it does not therefore appear desirable to extend the concession of the pension scheme to persons that are not already getting it. In fact, I would suggest the gradual extension of the Provident Fund system - a combined pension and Provident Fund system to other departments also.

Para 84 of Notes

When the papers were placed before me, I minuted as follows:-

"Electrical Department is a permanent Government Department and the employees in the department are as much entitled to pension benefits as the employees in other Government Departments. Judged from this standard, the objections raised by the Financial Secretary are hardly convincing. The Financial Secretary is of the opinion that a gradual extension of the Provident Fund Scheme may be thought of. That is a separate matter altogether. If it is found, on examination, that the extension of that system in every department of Government would be convenient and beneficial, it will apply to Government Electrical Department also. I am, therefore, in favour of introducing pension scheme to the employees in the Electrical Department."

Submitted to His Highness

I beg to submit herewith a Final Note by the Minister for Agriculture and Public Works on the proposal to extend the benefit of the pension scheme to the Electrical Department, for the gracious sanction of His Highness.

H R Rowan

Bangalore,
18th September 1946.

Minister for Education and Public Health
in charge of the current duties of the Dewan.

Proposal to extend the benefit of the provident scheme to the Electrical Dept.

App. F III-2

General and Revenue Secretariat | File No. | of 194 . | 49

Serial No.

No. 1359.

Submitted with draft G.O. with reference to orders dated 27.9.46 in Flag R.

The G.O. may perhaps issue after perusal by the Financial Secretary to Govt as this is an accounts matter.

28.9.46. 30/9 Secy

For perusal before issue

Fin Secy wlc. 1/10/46.

Instructions have to be given re: return of the Provident fund contributions of the employees & credit to Govt of the portion of the Govt's contribution.

It would perhaps be necessary to give an indication of this in the G.O. under issue & follow it up

4/10

Elect Sy wlc

1/10/46

An additional para as para 3 has been added to the G.O. & submitted for approval.

7/10 Secy 7/10

Issue Fin Secy wlc For concurrence to the modified draft

NOTE—Contn. Sheet

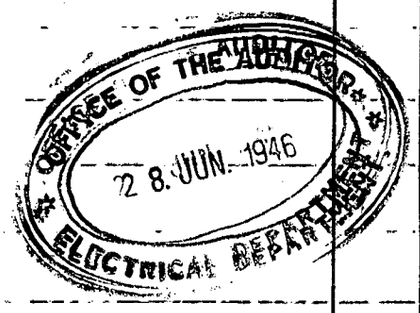
5-2

H 4438
28th June 1946

General and Revenue Secretariat | File No. of 194 . | [App. F. III-2

Serial No.

Immediate.



The Auditor, Electrical Department, is requested to furnish the following information before tomorrow evening. It is enough if fairly approximate figures are furnished.

(1) The existing cost of regular establishment including salaries in the Electrical Department.

(2) The total amount of contribution to Provident Fund per annum by the above staff.

(3) The total amount of contribution to Provident Fund by Government on account of the above staff.

(4) Similar details as above may be kindly furnish in the case of work establishment.

(5) The existing balance in the Provident Fund of Electrical Department showing approximately,-

(a) the portion of such balance relating to contribution by staff (regular staff).

(b) the portion of such balance relating to contribution by Govt. on account of regular staff.

(c) the portion of balance relating to contributio by work establishment

(d) do do do by Govt. on account of work establishment.

N. V. Ananthanarayanan
for Secretary.
28-6-46.

The Auditor,
Electrical Department.

NOTE—Contn. Sheet.

573.

File No. of 194 . General and Revenue Secretariat 4438/21

Serial No.

Returned with compliments:-

The information in respect of certain charges relating to Electrical Department Provident Fund as required on the reverse is furnished below.

1. Existing cost of regular Establishment including Salaries in the Electrical Department.

	Rs.
Salaries.	2,44,480.
Establishment.	6,40,535
Total. Rs.	8,85,015

2. Total amount of contribution to Provident Fund per annum by the above staff.

Rs. 55,135/-(based on actuals for 1944-45)

3. Total amount of contributions to the Provident Fund by Government on account of the above staff.

Rs.53,200/- (Actuals for 1944-45)

4. a) Cost of Maintenance Establishment Rs.4,28,265.
b) Contribution to E.L.P.F. by the Maintenance Staff. Rs.12,450/- (Actuals for 44-45)
c) Contribution by Government on account of the above staff. Rs.6,207/-

5. Existing balance in the Provident Fund Account.

Regular Establishment.

Contribution by Staff.	Rs.5,62,977
" Govt.	Rs.5,76,110
Total.	Rs11,39,087

Maintenance Establishment.

Parties' Contribution.	Rs.1,66,632
Govt. -do-	83,316
Total Rs.	2,49,948

as per Closing Balance for 1944-45.

Memo No.815/ D/29-6-46.

J. Venkatarangiah
AUDITOR,
Electrical Department.

R. RAMASWAMI, B.A. (Hons), A.I.A. (Lond)

		A	B	C
1.	Volume of monthly contributions at one anna six pies in the Rupee (4% interest) PROVIDENT FUND (in Rs)	5455	6544	6180
2.	Volume of monthly contributions at 1/9th of the pay (4% interest) PENSION CONTRIBUTIONS (in Rs)	6465	7756	7325
3.	Equivalent pension for (1) (as per Appendix L of M.S.R.) (in Rs.)	45-2	54-1	51-1
4.	— do — for (2) (in Rs)	53-7	64-2	60-9
5.	Actual pension (in Rs)	99-9	100-0	100-0
6.	Equivalent pension for Provident Fund contributions assuming that the pension contributions of 1/9th of the pay provide for the actual pension payable (in Rs.)	84-0	84-6	84-6
7.	Monthly contribution per Rupee of pay which would fetch the actual pension on the bases of the factors given in Appendix L of M.S.R. (in annas)	as-p 3-4	as-p 2-9	as-ps 2-11

D	E	F	G	H	I	J	
6635	2852	3608	10533	23294	23797	3950	8869
7864	3380	4276	12483	27607	28204	4682	10511
54-13	23-9	28-2	82-2	192-8	202-13	32-10	73-5
65-0	27-15	33-6	97-6	228-3	240-6	38-11	86-14
107-6	34-10	50-0	175-0	300-0	375-0	58-5	141-3
90-10	29-3	42-3	147-11	253-2	316-7	49-3	119-2
as-ps 2-11	as-ps 2-2	as-ps 2-8	as-ps 3-2	as-ps 2-4	as-ps 2-9	as-ps 2-8	as-ps 2-11

R. Ramaswami
15.2.45

R. RAMASWAMI, B.A. (Hons), A.I.A. (Lond.)

		A	B	C
1	Value of monthly contributions at one anna four pies in the Rupee (4% interest) PROVIDENT FUND (in Rs) (Party's Contribution only)	4849	5817	5494
2	Value of monthly contributions at two annas eight pies in the Rupee (4% interest) PROVIDENT FUND (in Rs) (Party's and Govt. Contributions)	9698	11634	10987
3	Value of monthly contributions at 1/6th of the Pay (4% interest) PENSION CONTRIBUTIONS (in Rs) 1/6	6465	7756	7325
4	Equivalent pension for (1) (in Rs) (as per Appendix L of M.S.R)	40-1	48-1	45-6
5	——do—— (2) (in Rs)	80-2	96-2	90-13
6	——do—— (3) (in Rs)	53-7	64-2	60-9
7	Actual pension (in Rs)	99-9	100-0	100-0
8	Monthly contribution per Rupee of pay which would fetch the actual pension on the basis of the factors given in Appendix L of M.S.R (in annas)	as ps 3-4	as ps 2-9	as ps 2-11

D	E	F	G	H	I	J	K
5898	2535	3207	9363	20705	27153	3511	7883
11795	5070	6414	18725	41411	42306	7022	15767
7864	3380	4276	12483	27607	28204	4682	10511
48-12	20-15	25-0	73-0	171-2	180-4	29-0	65-2
97-8	41-14	50-0	146-1	342-4	360-9	58-0	130 5
65-0	27-15	33-6	97-6	228-3	240-6	38-11	86-14
107-6	34-10	50-0	175-0	300-0	375-0	58-5	141-3
as M 2-11	as M 2 2	as M 2-8	as M 3-2	as M 2-4	as M 2-9	as M 2-8	as M 2-11

R. Ramaswami
9.4.48

Symbol	Name	Department	C.O.No.
A.	K. S. Narayana Iyengar, Superintendent, Railway Audit Office.	Railways	13903
B.	M. A. Krishnaswamy Iyengar, Office Superintendent, General Manager's Office, Mysore Railways.	-do-	13302
C.	M. G. Rajamannar, Assistant Auditor, Mysore Railways.	-do-	19783
D.	N. Venkatachar, Assistant Auditor, Mysore Railways.	-do-	17329
E.	C. Rajagopala Iyengar, Head Clerk, Mysore Power & Light.	Electrical	12486
F.	R. Venkatasubba Rao, Store Keeper, Mysore Power & Light.	-do-	12703
G.	W. N. Scaldwell, Station Superintendent, Sivasamudram.	-do-	20027
H.	S. B. Iyengar, Superintendent, Electrical Works, Sivasamudram.	-do-	19616
I.	A. Clarke, Superintendent, Hydraulic Works	-do-	19394
J.	G. Vaidyanath, Workshop Foreman	-do-	13554
K.	K. Ramaswamy Iyengar, Junior Engineer	-do-	19612

The actual salary drawn by these offials have been used after some slight adjustments to simplify interest calculations.

NDA.

C. F. 74.]

57 15-08 pl.

Routine Notes.

WD 07111—GPB—50,000—29-7-44

[To be used only for notes, requisitions, etc., not intended for permanent record.]

The file re: extension of pension benefits to the employees of the Electrical & Railway Depts. was referred to Mr P. N. Nagappa some two months back for furnishing some information re: periods of longevity etc. (The file had also been marked for consideration in Council).

I had requested Mr P. N. Nagappa to return the main file to us, in case the note he was asked to furnish would take a long time, and send his note later separately. The file has not yet been returned. If not, I shall ask him to return our office file at once, & send his note later on.

5/12

N.B.— *Should routine notes be written on small slips, notes must be copied, or slips pasted on this form.*

C. F. 71.]

Routine Notes.

[To be used only for notes, requisitions, etc., not intended for permanent record.]

forwarded w/c to the Commissioner for Labour.

The necessary extracts have been taken and the file is returned herewith with thanks.

The services of ten clerks on Rs 30 + Dearness allowance for a period of three months and the requisite Stationary may kindly be sanctioned for the investigation in question.

P. H. Nagappa
8/12/44

Asst Secy)
Finance

With Compliments.

Papers submitted for kind perusal. (No action taken hitherto) Reference is invited to Dewan's minute d. 3.9.44. Mr P.H. Nagappa wants Special temporary estt. of 10 clerks for 3 months for the investigation. It is doubtful whether full

N.B. — Should routine notes be written on small slips, the notes must be copied, or slips pasted on this form.

Re: Pension to Elec & Rs Depot

Genl Ques

Fe. No. 2667 & 8. 2 Coy. 60

Returned with compliments.

The superintendent says that he could not attend to the file referred to in your note paper bear the name of any living man in the section and that the required statistics will be collected and the file will be submitted by about the next week.

For perusal

CPO 10/2/44

Dr Rama Rly Wks.
Asst Comptroller
ena
9/2/44

For the Exec Engr
Asst Controller Financial Depy

PW
11/2/44

May this be communicated to the Pension Section

Yes
Let the Comptroller's Office!
Not necessary CPO 12/2

Wks.

G.K.S. III—3]

61

A 1464/28

ROUTINE NOTES

[To be used only for notes, requisitions, etc., not intended for permanent record.]

Horsley

I understand the file re: extending pension benefits to the Electrical & Railways ~~[illegible]~~ Depts. was g to the Superintendent Pension Section, in July last for furth up some additiona information.

The file has not y been returned and I do know what progress ha been made in the matte The question may be kindl treated as urgent, a

I shall be obliged if a reply be kindly sent immediat for the information of th Treasury indicating wh progress has been made the file may be expe

N. B.—*should routine notes be written on small slips, the notes must be copied or slips pasted on this form.*

WD 078—GDB—30,000—25

Comptr.

Draft

ELECTRICAL SECRETARIAT.

Draft for approval.

FROM

The Secretary to Government,
Electrical Department,
Bangalore.

To

The Secretary to the
Hon'ble the Resident in
Mysore, Bangalore

No. EDS. 3174[illegible]

Dated 20.1.43.

Encls —

Subject: Pension Scheme for the employees of the Electrical Department

Sir,

I am directed to state that the Govt of Mysore have under contemplation a scheme for the introduction of pension benefits for the basic staff of the Electrical Department, excluding Work Establishment. In this connection a study of the system obtaining

WD 05560—GPB—20 pads of 100 sheets each 12-2-42

in the Electrical Department of the Madras ~~Presidency~~ Govt has been considered desirable and I am to request you to be so good as to move the Hon'ble the Resident in Mysore for kindly obtaining for Govt of Madras, particulars relating to the Pension scheme in force in the Mysore Electricity Dept.

I am &c.

18/1/42.

Secy to Govt
Elec Dept

Supdg Engr
Elec Dept

ELECTRICAL SECRETARIAT.

Draft for approval.

No. EDS. 3777.

Dated 24.2.43.

Encls. — —

FROM

The Secretary to Government,
Electrical Department,
Bangalore.

To

The Secretary to the Hon'
the Resident in Mysore
Bangalore

Subject:— Pension Scheme for the employees of the Electrical Department

Sir

I am directed to refer
to this office letter No. E.D.S.
3174 dated the 20th Jan 1943
requesting for information
re the pension scheme obtain
in the Electrical Department
of the Govt of Madras and
to request you to kindly
intimate whether any

Again

WD 05560—GPB—20 pads of 100 sheets each 12-2-42

4

~~reply~~ The information required has
not been received and if not, ~~they may~~
kindly please
be kindly reminded in the matter.

Yours etc

Sd/-
19/2/43

Secretary to Govt
for Elec. Deptt.
19-2-43

5

ELECTRICAL SECRETARIAT.

Draft for approval.

Urgent

FROM

The Secretary to Government,
Electrical Department,
Bangalore.

To

The General Supdt CPs
Bangalore

No. EDS. 3831.

Dated 1.3.43

Encls. — . —

Subject:— Pension scheme for the employees of the Electrical Department

Sir,

I am directed to state that Govt have under contemplation a scheme for the introduction of pension benefits for the basic staff of the Electrical Dept. In this connection they ~~wish~~ desire to peruse the details of the pension scheme

WD 05560—GPB—20 pads of 100 sheets each 12-2-42

6.

Obtained via the Madras Govt. Electrical Dept

I am to request you to be so good as to forward the same if they are available in your office.

I have the

honour

for Secy to Govt

Madras Elec Dept

24/2/43 GG

No.R.F.38-43/Pol.

From

The Secretary to the Hon'ble the Resident in Mysore.

To

The Secretary to the Government of His Highness the Maharaja of Mysore, Electrical Department.

Bangalore, 26 Feby. 1943.

Pension scheme for the employees of the Electrical Department.

Sir,

I am directed to refer to your letter No.E.S.3174, dated the 20th January 1943, and to state that the Government of Madras write that the temporary staff of the Electricity Department in the Madras Province is non-pensionable, that most of the permanent staff are regular Government servants whose pension is governed by the provisions of the Civil Service Regulations issued by the Government of India and that some are given the benefits of the Contributory Provident Fund in lieu of

8

of pension.

I have the honour to be,
Sir,
Your most obedient servant,

for SECRETARY TO THE RESIDENT.

Tcn.

oa
16/4/49

Elect 320-45-1 9

Telegrams:—"GOMEP"
MR. M. HAYATH B.E. (Mech.) B.S.E.E.
Chief Electrical Engineer.

ELECTRICAL DEPARTMENT
5-2-1946
1359

Telephone No. {Office: 2416 / Residence: 2014

OFFICE OF THE CHIEF ELECTRICAL ENGINEER,
TO THE GOVT. OF MYSORE.

BANGALORE (S. INDIA) 2nd February 1946.

D. O. No. 4175/Encl. one note.

OFFICE OF THE M[illegible]
FOR PUBLIC WO[illegible]
4 FEB. 1946
P. 859

Dear Sir,

Subject:- Pension Scheme for the Employees of the Electrical Department.

Secy P. W. D. W. C. Where is this paper held up?

I wish to bring to your kind notice that the extension of the Pension Scheme for the employees of the Electrical has been under the consideration of Government since 1941, and unfortunately up to now no orders of Government have been received.

In this connection I am enclosing herewith a copy of the note I submitted in the year 1943 on the above subject. Un-officially I understand that the case has been worked up completely and is awaiting final decision. As the matter has been pending for a very long time, I very earnestly request you to kindly take up this question and issue necessary orders extending the benefits of pension to all the employees of the Electrical Department, who are permanent, so that the invidious distinction that now exists is eliminated. It can be seen from the note that some of the employees have already been granted and some others were sanctioned pension some time later. Individual cases are being referred to Government and this involves considerable work and further makes others to whom the pension benefits have not been extended unhappy.

In view of the fact that the department has come to stay as a permanent department of Government and as large extensions are contemplated, it is very desirable that this amenity, which is enjoyed by all the employees of other permanent departments of Government, is also extended to the employees of the Electrical Department.

I shall feel highly obliged, if you will kindly consider sympathetically the request of the employees of the department in this behalf and

P.T.O.

Also the question of treating all the appointments in the Electrical Department both regular and maintenance establishments, deserves kind consideration. The fact that a certain class of employees of the Electrical Department have been granted the

[illegible]

benefits of pension scheme applicable to other departments of Government, indicates that the principle that the electrical Department is a permanent department of the Government has been accepted. Therefore, I earnestly request Government in order to avoid individual applications from employees and applications from a certain group of employees reaching Government for being considered individually, the entire department, both regular and maintenance, be granted the benefits of pension. The extra cost involved to Government in converting the present Provident Fund Scheme to pension is very little, but the benefit derived by the employees so affected is considerable. Engineers are generally very poor in securing the maximum benefits from investments. The present Provident Fund Scheme, though admits of certain class of Officers drawing large sums of money at the time of retirement, instances are not wanting when the large sums drawn by them have been utilised or lost in speculation and have reduced themselves within a few years of retirement, to such a stage of poverty as to depend on charitable institutions for their maintenance, and one case, who has been granted the pension benefit in the recent order of August 1943 has to be specially brought to the notice of Government. He was drawing a salary of Rs.175/- at the time of retirement. He drew a bonus of Rs.5,833.0.0 at the time of retirement and within a couple of years of his retirement he had to be admitted into a poor-house for his sustenance. The other officers who retired after drawing a salary of Rs.750/- per mensem and drew a bonus of twenty to twenty-five thousand rupees have been at the end of their resources within a few years of their retirement. Therefore, handing over large sums of money to officers at the time of retirement, even though costs Government appreciably, does not give the appropriate benefit to the retired employees, and does not serve the purpose for which these benefits are sanctioned by Government. Therefore, for an officer who has not been very well conversant with the investment of large sums of money and whose maintenance after retirement is partially the responsibility of the

GOVERNMENT OF MYSORE. ELECTRICAL DEPARTMENT.

Note on the extension of pension benefits to the employees of the Electrical Department.

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Government graciously extended the benefits of pension scheme to the employees of the Electrical Department who were employed before 1st July 1919 and continued to be in service or reitred from service on or after 1st January 1938. This Government Order was applicable to only certain set of employees of the Electrical Department, with the result that others were not benefited to the same extent. However, Government ordered that the Provident Fund Scheme be revised and brought in line with the one that is in force in the Railway Department. Subsequently, frequent representations were received from employees who retired before 1st January 1938, and also those that were employed after 1st July 1919. Another set of employees are in the department who, though employed before 1st July 1919, did not enter the regular establishment before that date, their services having been partially in the work establishment and partially in the regular establishment.

Individual cases of applications are being submitted to Government and some have been graciously approved. Particularly the cases of employees who entered service before 1919 in the Regular Establishment and who retired before 1st January 1938 were dealt with by Government in their Order No.EDS.183-5 dated 17th/19th July 1943, extending to them the benefits of pension. Thus all the officers that entered service in the Regular Establishment before 1919 have been granted the benefits of pension.

The cases of employees, who entered the department in the work Establishment before July 1919, but retired after 1st January 1938, are now before the Government for consideration. Also the question of treating all the appointments in the Electrical Department both regular and maintenance establishments, deserves kind consideration. The fact that a certain class of employees of the Electrical Department have been granted the

benefits of pension scheme applicable to other departments of Government, indicates that the principle that the electrical Department is a permanent department of the Government has been accepted. Therefore, I earnestly request Government in order to avoid individual applications from employees and applications from a certain group of employees reaching Government for being considered individually, the entire department, both regular and maintenance, be granted the benefits of pension. The extra cost involved to Government in converting the present Provident Fund Scheme to pension is very little, but the benefit derived by the employees so affected is considerable. Engineers are generally very poor in securing the maximum benefits from investments. The present Provident Fund Scheme, though admits of certain class of officers drawing large sums of money at the time of retirement, instances are not wanting when the large sums drawn by them have been utilised or lost in speculation and have reduced themselves within a few years of retirement, to such a stage of poverty as to depend on charitable institutions for their maintenance, and one case, who has been granted the pension benefit in the recent order of August 1943 has to be specially brought to the notice of Government. He was drawing a salary of Rs.175/- at the time of retirement. He drew a bonus of Rs.5,833.0.0 at the time of retirement and within a couple of years of his retirement he had to be admitted into a poor-house for his sustenance. The other officers who retired after drawing a salary of Rs.750/- per mensem and drew a bonus of twenty to twenty-five thousand rupees have been at the end of their resources within a few years of their retirement. Therefore, handing over large sums of money to officers at the time of retirement, even though costs Government appreciably, does not give the appropriate benefit to the retired employees, and does not serve the purpose for which these benefits are sanctioned by Government. Therefore, for an officer who has not been very well conversant with the investment of large sums of money and whose maintenance after retirement is partially the responsibility of the

Elec 320-45-2

14

Proceedings of the Government of
His Highness the Maharaja of Mysore.

Read:-

K)

Government Order No.EDS.1724-27 dated 14th February 1941 sanctioning the grant of pension to the employees on the regular establishment of the Electrical Department who joined service prior to 18th September 1913.

G)

2. Government Order No.EDS.425-28 dated the 15th August 1941 sanctioning the extension of the benefits of pension to the employees on the regular establishment of the Electrical Department who entered service prior to 1st July 1919 and are still in service ~~and who~~ ~~died in service~~ and who retired on or after 1st January 1938 and directing that as regards entrants to service on and after 1st July 1919 in the regular establishment, they be granted in addition to the Provident Fund, gratuity on the scale obtaining in the Railway Department.

V)

3. Correspondence relating with D.O.letter No.4175 dated the 2nd February 1946 from the Chief Electrical Engineer forwarding a note regarding the extension of pension benefits to all the employees of the Electrical Department borne on the regular as well as the permanent work establishment (also called the Maintenance Establishment).

G.O.No.EDS. 978-96, Elec 320-45-2

Dated Bangalore, 9th October 1946

In the Government Order dated the

15.

the 14th February 1941 read above, the Officers and staff of the Electrical Department in the regular establishment who joined service before 14th September 1913 were allowed the benefits of pension. This question was further considered and Government in their order of 14th August 1941 read above directed that the benefits of pension sanctioned in the order of 14th February 1941 be extended to the employees in the regular establishment of the Department who entered service prior to 1st July 1919, and who were still in service. As regards the employees who had retired then it was further directed that such of the employees as entered service prior to 1st July 1919 and retired on or after 1st January 1938 be allowed to come under the pension scheme and pension granted to them from the date of their retirement. Regarding the entrants to service on or after 1st July 1919 in the regular establishment, it was also directed that they might be granted in addition to the Provident Fund, Gratuity on the scale obtaining in the Railway Department. The Chief Electrical Engineer has been urging that these employees also, including those in the 'Maintenance Establishment' of the Department be brought under the pension scheme to make the Department more attractive and afford security in old age.

2) After careful consideration of the matter, Government are pleased to direct that the benefit of the pension scheme be extended to those in service in the Electrical Department. They further direct that this order should have no

no retrospective effect and be applicable only to those who retire from service after the 1st September 1946.

Secretary to Government,
Electrical Department.

3. Separate orders will issue re. the refund of the Provident Fund contributions of the employees of the Dept. and credit to Govt. of the portion of the Govt.'s Contribution

The Chief Electrical Engineer.

The Secretary to Government, Financial Department.

The Comptroller to Government (through the Financial Secretariat)

The Auditor, Electrical Department.

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App. F VI G 10.

Government of His Highness the Maharaja of Mysore.

GENERAL AND REVENUE DEPARTMENTS

Electrical Department.

Pension scheme :- Directs that the benefit of the ——— be extended to those in service in the Electrical Dept. and that it be applicable only to those who retire from service after the 1st of September 1946

G. O. No. 898-901 Elec 320-43-2 DATED 9-10-46

20 Copies.

May this be

i. printed ?	yes
ii. treated as a standing order ?	yes
iii. published in the Gazette English Part ?	yes
iv. translated ?	yes
v. placed at the disposal of the press ?	yes
iv. published in the Gazette Kannada Part ?	yes

Submitted for approval with pair.

8/10 8/10

Supdt, Govt Printing

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE.

ELECTRICAL DEPARTMENT.

G. O. No. E. D. S. 898-901—Elcl. 320-45-2, dated 9th October 1946.

Pension Scheme.

Directs that the benefit of the —— be extended to those in service in the Electrical Department and that it be applicable only to those who retire from service after the 1st September 1946.

READ—

Government Order No. E. D. S. 1724-27, dated 14th February 1941, sanctioning the grant of pension to the employees on the regular establishment of the Electrical Department who joined service prior to 18th September 1913.

2. Government Order No. E. D. S. 425-28, dated the 15th August 1941, sanctioning the extension of the benefits of pension to the employees on the regular establishment of the Electrical Department who entered service prior to 1st July 1919 and are still in service and who retired on or after 1st January 1938 and directing that as regards entrants to service on and after 1st July 1919 in the regular establishment, they be granted in addition to the Provident Fund, gratuity on the scale obtaining in the Railway Department.

3. Correspondence ending with D. O. letter No. 4175, dated the 2nd February 1946, from the Chief Electrical Engineer, forwarding a note regarding the extension of pension benefits to all the employees of the Electrical Department borne on the regular as well as the permanent work establishment (also called the Maintenance Establishment).

ORDER No. E. D. S. 898-901—ELCL. 320-45-2, DATED BANGALORE, THE 9TH OCTOBER 1946.

In the Government Order dated the 14th February 1941 read above, the officers and staff of the Electrical Department in the regular establishment who joined service before 18th September 1913 were allowed the benefits of pension. This question was further considered and Government in their order of 14th August 1941 read above directed that the benefits of pension sanctioned in the order of 14th February 1941 be extended to the employees in the regular establishment of the department who entered service prior to 1st July 1919 and who were still in service. As regards the employees who had retired then, it was further directed that such of the employees as entered service prior to 1st July 1919 and retired on or after 1st January 1938 be allowed to come under the pension scheme and pension granted to them from the date of their retirement. Regarding the entrants to service on or after 1st July 1919 in the regular establishment, it was also directed that they might be granted, in addition to the Provident Fund, gratuity on the scale obtaining in the Railway Department. The Chief Electrical Engineer has been urging that these employees also, including those in the 'Maintenance Establishment' of the department be brought under pension scheme to make the department more attractive and afford security in old age.

2. After careful consideration of the matter, Government are pleased to direct that the benefit of the pension scheme be extended to those in service in the Electrical Department. They further direct that this order should have no retrospective effect and be applicable only to those who retire from service after the 1st September 1946.

3. Separate orders will issue *re* the refund of the Provident Fund contributions of the employees of the department and credit to Government of the portion of the Government's contribution.

K. D. JOSHI,
Secretary to Government,
Electrical Department.

To—The Chief Electrical Engineer.
The Secretary to Government, Financial Department.
The Comptroller to Government through the Financial Department.
The Auditor, Electrical Department.

Exd.—B. G. S.

WD 2567—GPB—490—5-11-46

Elecl 320-45-5

TELEPHONE No. 2110
NO. 11644
ENCLO.
TELEGRAPHIC ADDRESS:
'GOMED'

SECRETARY TO GOVERNMENT
Date 26/10
ELECTL & RYS.

GOVERNMENT OF MYSORE
ELECTRICAL DEPARTMENT

OFFICE OF THE CHIEF ELECTRICAL ENGINEER,
Bangalore, 24th October ...1946.
(MYSORE, S. INDIA.)

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26. X. 1946

The Secretary to Government,
Electrical Department, Bangalore.

S i r,

In acknowledging the receipt of Government Order No. EDS.898-901/Elecl.320-45-2 dated 9-10-1946, conveying sanction of Government for extending the benefit of Pension to all the employees of the Electrical Department (both Regular and Maintenance), I have the honour to request kind permission to convey the sincere and grateful th nks of all the employees of the Department, to the Government of His Highness the Maharaja of Mysore, for the above generous act which has ensured a peaceful life to all hard-working and conscientious employees after retirement. The conferment of the above boon which has been acquired by the members of the Department as a result of years of prayer [redacted], has in no small measure, contributed to an all round feeling of contentment and security. All of them unanimously assure me of their whole-hearted co-operation in maintaining the efficiency of a Service Department like the Electrical Department at the highest level and in endeavouring their very best in the conscientious discharge of their individual duties.

I have the honour to be,

S i r,

Your most obedient servant,

Chief Electrical Engineer. 24/X

Minister P.W & Dewan

For perusal
KW 26/10/46.

RB/26/10

26/10/46

OFFICE OF THE MINISTER FOR AGRICULTURE AND PUBLIC WORKS
28 OCT 1946
No. 3098

DEWAN'S OFFICE
28. OCT. 1946
No. 2946

KW/28/10/46

RB/28/10

RR/2/11/46.

RB/2/11

2/11/46

To

His Highness
SRI JAYACHAMARAJA WADIYAR BAHADUR, G.C.B.,G.C.S.I.,
Maharaja of Mysore, MYSORE.

May it please Your Highness,

We, the employees borne on the Ministerial, Executive & Maintenance Establishment of the Electrical Department of Your Highness's Benign Government, most humbly & respectfully beg to convey to our beloved Soverign, His Royal Highness Sri Jayachamaraja Wadiyar Bahadur, G.C.B., G.C.S.I., Maharaja of Mysore, our deep indebtedness & gratitude and heartfelt thanks for Your Highness's benevolant mercy in having graciously extended the benefits of Pension to all the present employees of the Electrical Department, who will be retiring from service on or after the 1st September 1946, especially during the present auspicious time of the birth of a Princess to Your Highness. We offer to His Highness the Maharaja and his Royal Family our respectful congratulations and invoke the blessings of God on the new-born Princess and the Royal House of Mysore, and our families also reiterate their profound sentiments of gratitude for Your Highness's noble condescension. We are also greatly proud to mention that this Pension, which was pending decision from the time immemorial, has been sanctioned during the reign of our present Soverign as well as during the regime of our new beloved Dewan Sir Arcott Ramaswamy Mudaliar, K.C.S.I., and our beloved Chief Electrical Engineer All-Janab Mohamed Hayath Saheb, B.E.,B.S.E.E., and it is our earnest prayers that the Almighty may preserve Your Highness and the Royal House in sound Health & Happiness so as to reign over us for several decades to come, and also to bless our new Dewan Bahadur and our beloved Chief Electrical Engineer, who has supported our cause for this Pension Scheme very strongly all along during his able administration of this Department, and to give them both Long Life & Prosperity so that these Two Pillars of Your Highness's Government may serve this Model State of Mysore for several years so as to safeguard the interests of the poor Government Servants of Mysore in particular as well as finding reliefs to the sufferring humanity in general. Their warm-hearts & deep interests in the well-being of this Department will be a stimulus to us to spare no efforts to maintain its efficiency and to enhance its fair name.

We are also deeply indebted to Your Royal Highness and to our distinguished Dewan Saheb and all the Ministers of the Government for their well-considered decision in having graciously appointed our beloved General Superintendent of Generation, Mr.R.Ramakrishna, M.Sc.,E.E., as Secretary to Government, Electrical & Railway Departments, as this is the first time that an Electrical Engineer of this Department has been preferred for the said post, which had all along been monopolised by the Civil Engineers of the Public Works Department, and in view of Mr.Ramakrishna's high academical qualifications and past experience in all the Sections of this Department (both Distribution, Transmission & Generation), as well as in the light of his recent special Training of Post-War Scheme in America, we are quite confident that he will be the best fitted Officer for the position graciously conferred upon him and we all wish him the best of Health & Prosperity in the new sphere of life.

In conclusion, we bow our heads to Your Highness to very sympathetically pass Orders that our portion of contributions to the Electrical Department Provident Fund may be refunded to us with interest, as a majority of us and especially those getting a salary of below Rs100/-, have been hit hard during the last six years and have greatly struggled for the daily maintenance of our families & upkeep of our houses, and hence we were obliged to go in for heavy debts as our meagre salaries were hardly enough to make the both ends meet and even now the exhorbitant prices of foodstuffs are pulling us down and unless this amount is refunded to us, there will be no other means of liquidating our debts but to go on increasing the same month after month and becoming life-long debtors on earth. We, therefore, mostly humbly beg & appeal to Your Royal Highness to mercifully hear our prayers and order for the refund of our portion of contributions, giving priority of drawing the refund by persons on a pay of Rs100/- & below, by not later than the end of the current Calendar Year, so that we may clear off all our debts and start our life afresh with peaceful & freed mind right from the next New Year, i.e., 1st January 1947. We trust that Your Highness will redeem us from our present environment & debts by graciously granting our above prayers.

Bowing our heads to Your Highness once again for this benevolant and merciful act:

We, Your Highness's Most Loyal Subjects,

Mysore State,
S. India.
D/-.21st OCT:46.

EMPLOYEES OF THE ELECL.DEPT.,
GOVERNMENT OF MYSORE.

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